



LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH
550 S. VERMONT AVE., LOS ANGELES, CA 90020 HTTP://DMH.LACOUNTY.GOV



MARVIN J. SOUTHARD, D.S.W.
Director

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RODERICK SHANER, M.D.
Medical Director

May 11, 2015

TO: Each Supervisor

FROM: Marvin J. Southard, D.S.W.
Director

SUBJECT: **NOTICE OF INTENT TO REQUEST DELEGATED AUTHORITY TO
APPROVE A PERCENTAGE INCREASE EXCEEDING TEN PERCENT
OF THE MAXIMUM CONTRACT AMOUNTS OF ALL DEPARTMENT OF
MENTAL HEALTH CONTRACT ALLOWABLE RATE FEE-FOR-
SERVICE MEDI-CAL ACUTE PSYCHIATRIC INPATIENT HOSPITAL
AGREEMENTS**

This is to advise your Board that the Department of Mental Health (DMH) is scheduling a Board letter for the June 2, 2015 agenda requesting approval to execute 28 Contract Allowable Rate Fee-for-Service Medi-Cal Acute Psychiatric Inpatient Hospital (FFS) Agreements and Psychiatric Outreach Team Diversion Program (PDP) services at 8 of the 28 FFS hospitals for Fiscal Years 2015-16 through 2019-20. This Board letter requests delegated authority to increase DMH's Board-approved FFS Agreements over ten percent.

In accordance with Board of Supervisors Policy No. 5.120, prior Board notice is required for any department requesting delegated authority to increase Board-approved contracts over ten percent.

JUSTIFICATION

Contract Allowable Rate Fee-for-Service Medi-Cal Acute Psychiatric Inpatient Hospital Agreements ensure uninterrupted, medically-necessary acute psychiatric inpatient services for Medi-Cal eligible severely mentally ill clients who reside throughout the County of Los Angeles. FFS Agreements also ensure uninterrupted acute inpatient services for uninsured individuals at 8 of the 28 FFS hospitals through the PDP. Board approval of increased delegated authority will allow DMH greater capacity to amend FFS Agreements when additional services to both acute Medi-Cal eligible and uninsured clients needing inpatient care at FFS hospitals are necessary.

In most instances where speed and response time are of key importance, the increased delegated authority will allow DMH and its network of contracted FFS hospitals to maximize, prioritize, and increase access to services on a continuous and ever-

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increasing basis to its ever-growing clientele, which more effectively meets the County's mission, "To Enrich Lives Through Effective And Caring Service."

Should there be a need to exceed the twenty percent delegated authority, DMH will return to your Board with a request for authority to amend the contracts accordingly.

NOTIFICATION TIMELINE

Consistent with the procedures of Board Policy No. 5.120, we are informing your Board of our intention to proceed with filing the Board letter with the Executive Office of the Board of Supervisors for the June 2, 2015, Board meeting.

If you have any questions or concerns please contact me, or your staff may contact Richard Kushi, Chief, Contracts Development and Administration Division, at (213) 738-4684.

MJS:DM:RK:DKH:rlr

c: Acting Executive Officer, Board of Supervisors
 Interim Chief Executive Officer
 County Counsel
 Robin Kay, Ph.D.
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 Kimberly Nall
 Pansy Washington
 Richard Kushi
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